

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Markup on the "U.S. Agricultural Sector Relief Act," the "Asthma
Inhalers Relief Act," and the "No More Solyndras Act"
July 18, 2012
(As Prepared for Delivery)

Just as important as passing new laws, Congress has an obligation to review existing ones and to enact everything from small tweaks to major changes to complete repeals – whatever is necessary to serve the public interest. And we have developed three bills toward this end: the No More Solyndras Act, the U.S. Agricultural Sector Relief Act, and the Asthma Inhalers Relief Act.

Some programs are beyond repair, and the program that gave us Solyndra has got to go. This administration has destroyed the credibility of the Department of Energy loan guarantee program by using the stimulus to add costs for taxpayers and take risky gambles on programs that were predicted to fail.

As most of you know, Solyndra was the California solar panel maker that received a \$535 million dollar loan guarantee before going bankrupt. Nearly 1,900 workers were laid off, and the American taxpayer is on the hook for the loss. Two other Section XVII loan guarantee recipients, Abound Solar and Beacon Power, are also bankrupt, and more are likely to follow.

But even those loan guarantee recipients that are still solvent are hardly success stories. Some are large corporations unlikely to go bankrupt but who should have never received government help in the first place, especially in times of soaring spending and deficits. And some loan guarantee recipients are benefitting from other forms of government assistance, and have yet to prove that they can become viable without it.

In any event, few if any of these companies are delivering on the kinds of energy breakthroughs that were the purpose of the program. Bottom line – taxpayers are not getting their money's worth.

Of course we still want to spur innovation, and we support a role for DOE in basic research. And we continue to fight to reduce the red tape that hampers private sector entrepreneurs – those that don't need loan guarantees but don't want government getting in the way. The No More Solyndras Act is designed to ensure taxpayers are never again left holding the bag on the government's risky bets. There are better ways to support "all of the above" energy solutions.

Sometimes existing programs just need some small tweaks to avoid unintended consequences. The two other bills, the U.S. Agricultural Sector Regulatory Relief Act and the Asthma Inhalers Relief Act, will do just that. The 1990 Clean Air Act amendments addressed the issue of ozone depletion by phasing out the production of CFCs and other ozone depleting compounds. The U.S. also ratified the Montreal Protocol on Substances that Deplete the Ozone Layer.

As a result, production of these ozone-depleting compounds is substantially down. For the most part, the phase-out has gone well, with few if any job losses, product cost increases, or other hardships. Ozone-friendly substitutes were developed and are now widely used in

new air-conditioning and refrigeration equipment as well as other applications where ozone-depleting compounds had been used.

But the phase-out has not been without a few problems. For example, some farmers are having difficulty finding an adequate replacement for the crop fumigant methyl bromide. Methyl bromide was among the ozone depleting compounds that were restricted, and its production and use have declined substantially over the last 25 years. Substitutes work well for many agricultural applications, but for certain crops and uses there are no adequate substitutes and methyl bromide is still needed. Indeed, we just held a hearing and heard from several such farmers who fear for their future, both because they cannot use methyl bromide and because they have to compete with growers in Mexico and other developing countries that can still use it.

The U.S. Agricultural Sector Relief Act allows for continued but limited availability of methyl bromide for those farmers who can demonstrate that they need it.

As with the methyl bromide provisions in the U.S Agricultural Sector Relief Act, the Asthma Inhalers Relief Act is very limited and targeted. The bill allows the remaining stock of CFC-using inhalers to be sold, providing a temporary supply for those who need them.

In sum, we can strike a triple blow for good governance by making these changes to existing laws, and I urge colleagues to support all three bills.

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